



**MODERATE INCOME HOUSING UNIT PROGRAM**  
**PRICE & RENT SUMMARY**  
 July 1 through December 31, 2019\*

<i>For-Sale Pricing</i>		<i>Maximum Rents</i>	
Unit Type	Base House Price	Unit Size	Maximum Rent
<b>Studio</b>			
Apartments.....	\$ 117,926		
Proffered.....	\$ 165,096		
<b>One Bedroom</b>			
Apartments.....	\$ 126,349	Studio.....	\$1,170
Proffered.....	\$ 176,889	One Bedroom.....	\$1,254
<b>Two Bedrooms</b>			
Apartments .....	\$ 151,619	Two Bedroom.....	\$1,505
Back to Back Townhouse.....	\$ 220,203	Three Bedroom.....	\$1,739
Semi-Detached & Townhouse..	\$ 220,203	Four Bedroom.....	\$1,940
Single Family Detached.....	\$ 236,560		
Proffered Units.....	\$ 237,141		
<b>Three Bedrooms</b>			
Apartments .....	\$ 175,204		
Back to Back Townhouse.....	\$ 254,456		
Semi-Detached & Townhouse..	\$ 254,456		
Single Family Detached.....	\$ 273,358		
Proffered Units.....	\$ 274,030		
<b>Four Bedrooms</b>			
Semi-Detached & Townhouse..	\$ 283,817		
Single Family Detached.....	\$ 304,899		
Proffered Units.....	\$ 304,899		

\*Approved by Housing and Community Development Board on June 13, 2019



**MODERATE INCOME HOUSING UNIT PROGRAM**  
**BASE SALES PRICES**  
**July 1 through December 31, 2019\***

**Howard County Median Income (Family of Four)..... \$ 111,473**

**Median Income Adjusted by Bedroom Size<sup>(a)</sup>:**

Bedrooms	Adjustment Factor	Adjusted Income
0	70%	\$ 78,031
1	75%	\$ 83,605
2	90%	\$ 100,326
3	104%	\$ 115,932
4	116%	\$ 129,309

**Moderate Income Affordability:**

Unit Type	Persons/ Household	Adjusted Income	Affordability Percentage <sup>(b)</sup>	Income at Which Unit Must Be Affordable
<b>Studio</b>				
Apartment .....	1.0	\$ 78,031	50%	\$ 39,016
Proffered .....	1.0	\$ 78,031	70%	\$ 54,622
<b>One Bedroom</b>				
Apartment .....	1.5	\$ 83,605	50%	\$ 41,802
Proffered .....	1.5	\$ 83,605	70%	\$ 58,523
<b>Two Bedrooms</b>				
Apartment .....	3.0	\$ 100,326	50%	\$ 50,163
Back to Back Townhouse .....	3.0	\$ 100,326	65%	\$ 65,212
Semi-Detached & Townhouse .....	3.0	\$ 100,326	65%	\$ 65,212
Single Family Detached .....	3.0	\$ 100,326	70%	\$ 70,228
Proffered Units .....	3.0	\$ 100,326	70%	\$ 70,228
<b>Three Bedrooms</b>				
Apartment .....	4.5	\$ 115,932	50%	\$ 57,966
Back to Back Townhouse .....	4.5	\$ 115,932	65%	\$ 75,356
Semi-Detached & Townhouse .....	4.5	\$ 115,932	65%	\$ 75,356
Single Family Detached .....	4.5	\$ 115,932	70%	\$ 81,152
Proffered Units .....	4.5	\$ 115,932	70%	\$ 81,152



**MODERATE INCOME HOUSING UNIT PROGRAM**  
**BASE SALES PRICES**  
**July 1 through December 31, 2019\***

**Four Bedrooms**

Semi-Detached & Townhouse.....	6.0	\$	129,309	65%	\$	<b>84,051</b>
Single Family Detached.....	6.0	\$	129,309	70%	\$	<b>90,516</b>
Proffered Units.....	6.0	\$	129,309	70%	\$	<b>90,516</b>

**Sale Price Factors:**

**30 Year Fixed Mortgage Interest Rate<sup>(c)</sup>** ..... **3.770%**

**Real Estate Taxes**..... **1.50%**

County Tax Rate.....		1.014%
County-wide District Fire Tax.....		0.236%
Water and Sewer Ad Valorem.....		0.080%
State Tax Rate.....		0.112%
Trash Collection Fee / FHA Limit.....	\$ 225	0.055%

**Property Insurance**

Typical House Price/Condo Liability Coverage		\$ 410,000	\$ 300,000	<b>0.38%</b>
Average Insurance Premium/Average Condo Premium	\$ 1,551.00	\$ 381.00		<b>0.13%</b>

**Association Fees**

condominium	\$	4,048	<b>0.99%</b>
townhouse	\$	837	<b>0.20%</b>
single family	\$	888	<b>0.22%</b>

**FHA Monthly Mortgage Insurance**..... **0.85%**

**Taxes + Insurance + Association Fees+ FHA MI**

condominium	<b>3.46%</b>
townhouse	<b>2.93%</b>
single family	<b>2.94%</b>

**Calculation of Sales Prices:**

Unit Type	Income	28%(PITI)	T&I&AF&MI(c)	P&I	Loan Amount	House Price <sup>1</sup>
<b>Studio</b>						
Apartments .....	\$ 39,016	\$ 10,924	4,726	\$ 6,198	\$ 114,388	\$ 117,926
Proffered .....	\$ 54,622	\$ 15,294	6,617	\$ 8,677	\$ 160,144	\$ 165,096
<b>One Bedroom</b>						
Apartments .....	\$ 41,802	\$ 11,705	5,064	\$ 6,641	\$ 122,559	\$ 126,349



**MODERATE INCOME HOUSING UNIT PROGRAM**  
**BASE SALES PRICES**  
**July 1 through December 31, 2019\***

Proffered.....	\$ 58,523	\$ 16,387	7,090	\$ 9,297	\$ 171,582	\$ 176,889
<b>Two Bedrooms</b>						
Apartments .....	\$ 50,163	\$ 14,046	6,077	\$ 7,969	\$ 147,071	\$ 151,619
Back to Back Townhouse.....	\$ 65,212	\$ 18,259	6,686	\$ 11,573	\$ 213,597	\$ 220,203
Semi-Detached & Townhouse.....	\$ 65,212	\$ 18,259	6,686	\$ 11,573	\$ 213,597	\$ 220,203
Single Family Detached.....	\$ 70,228	\$ 19,664	7,231	\$ 12,433	\$ 229,463	\$ 236,560
Proffered Units.....	\$ 70,228	\$ 19,664	7,200	\$ 12,464	\$ 230,027	\$ 237,141
<b>Three Bedrooms</b>						
Apartments .....	\$ 57,966	\$ 16,230	7,022	\$ 9,208	\$ 169,948	\$ 175,204
Back to Back Townhouse.....	\$ 75,356	\$ 21,100	7,726	\$ 13,374	\$ 246,823	\$ 254,456
Semi-Detached & Townhouse.....	\$ 75,356	\$ 21,100	7,726	\$ 13,374	\$ 246,823	\$ 254,456
Single Family Detached.....	\$ 81,152	\$ 22,723	8,356	\$ 14,367	\$ 265,157	\$ 273,358
Proffered Units.....	\$ 81,152	\$ 22,723	8,320	\$ 14,402	\$ 265,809	\$ 274,030
<b>Four Bedrooms</b>						
Semi-Detached & Townhouse.....	\$ 84,051	\$ 23,534	8,617	\$ 14,917	\$ 275,302	\$ 283,817
Single Family Detached.....	\$ 90,516	\$ 25,345	9,320	\$ 16,025	\$ 295,752	\$ 304,899
Proffered Units.....	\$ 90,516	\$ 25,345	9,320	\$ 16,025	\$ 295,752	\$ 304,899

<sup>1</sup>Property value estimated at 3.5 times income

**Notes:**

- (a) Assumes 1.5 persons per bedroom.
- (b) Derived from Section 13.403(a)(6).
- (c) Survey of local FHA mortgage rates conducted 6/3/2019

*\*Approved by Housing and Community Development Board on June 13, 2019*



**Moderate Income Housing Unit Program**  
**For-sale Units - Eligibility Income Limits (80% of Median)**

Howard County Median Household Income (family of four)= \$111,473

<b>Family Size</b>	<b>Amount</b>
One Person.....	\$ 62,425
Two Persons.....	\$ 71,343
Three Persons.....	\$ 80,261
Four Persons.....	\$ 89,178
Five Persons.....	\$ 96,313
Six Persons.....	\$ 103,447
Seven Persons.....	\$ 110,581
Eight Persons.....	\$ 117,715



## **Moderate Income Housing Unit Sale Price Factors**

### **Median Income**

The Howard County Median Income as periodically determined by the U.S. Census Bureau.

### **FHA 30 Year Interest Rate**

The Interest Rate Factor is the average of the FHA 30 year fixed rate interest rates with zero points as determined by a survey of local mortgage lenders on or about June 1 and December 1 rounded up to the next eighth point.

### **Real Estate Taxes**

The Real Estate Factor is the total of the assessed rates for the County and State Property Taxes, the Metropolitan Fire District, the Water and Sewer, Ad Valorem, and the Trash Collection Fee.

### **Property Insurance**

The Property Insurance Factor is derived from the average homeowner's property insurance premium for a typical \$410,000 home located in Howard County, assuming a \$1000 deductible, or \$300,000 of liability coverage for a condo, assuming a \$500 deductible, as determined by a survey conducted by the Maryland Insurance Administration and published annually at [www.insurance.maryland.gov](http://www.insurance.maryland.gov).

### **Association Fees**

The Association Fees are the average homeowner or condominium fees for residential properties constructed in Howard County within the last 10 years as determined by an annual survey of fees as reported in Metropolitan Real Estate Information System (MRIS).

### **FHA Mortgage Insurance**

The FHA Mortgage Insurance Factor is the monthly premium collected as determined for the Federal Housing Administration by the U.S. Department of Housing and Urban Development.

### **Tax Rates July 1, 2019 - June 30, 2020**

Real property assessed at 100% of market value; rates based upon \$100 assessment:

County: \$1.014  
State: \$0.112  
Fire: County-wide District: \$0.236  
Water & Sewer Ad Valorem: \$0.08  
Trash Fee: \$225/household/year



## MODERATE INCOME HOUSING UNIT STANDARDS

Unit Type	Room Requirements	Base Square Footage
Apartment	0 Bedroom, 1 Bath	600
	1 Bedroom, 1 Bath	750
	2 Bedrooms, 1-1/2 Baths	950
	3 Bedrooms, 1-1/2 Baths	1,100
Back to Back Townhouse	2 Bedrooms, 1-1/2 Baths	1,400
	3 Bedrooms, 2 Baths	1,540
Townhouse	2 Bedrooms, 1-1/2 Baths, Basement	1,500
	3 Bedrooms, 2 Baths, Basement	1,640
	4 Bedrooms, 2 Baths, Basement	1,780
Semi-Detached	2 Bedrooms, 1-1/2 Baths, Basement	1,500
	3 Bedrooms, 2 Baths, Basement	1,640
	4 Bedrooms, 2 Baths, Basement	1,780
Single Family Detached	3 Bedrooms, 2 Baths, Basement	1,680
	4 Bedrooms, 2 Baths, Basement	1,820
Proffered	3 Bedrooms, 2 Baths, Basement	1,640



## **MINIMUM SPECIFICATIONS FOR MODERATE INCOME HOUSING UNITS**

### **General**

All housing units must be constructed of materials comparable in grade and standards to the overall subdivision. All work must be performed in a professional and workmanlike manner, equal to the standards of the trade. All work shall satisfy Howard County building codes, ordinances and legal requirements.

### **Exterior Design**

The Moderate Income Housing Units must be of a design and construction to ensure that the exterior features are architecturally compatible with vicinal market rate units. The units should be interspersed with the market rate units.

### **Type of Unit and Bedroom Size**

The types of units and bedroom sizes designated as Moderate Income Housing Units, to the extent practical, will be proportional to the distribution of unit types and bedroom sizes of the overall subdivision. Units should meet or exceed the base square footage and room requirements.

### **Hot Water Heaters**

Minimum 40 gallon electric or 30 gallon gas water heater for all one and two bedroom units. All others, must have a minimum 50 gallon electric or 40 gallon gas water heater.

### **Heating, Ventilation and Air Conditioning (HVAC)**

Central HVAC systems must be installed in all units with the exception of apartments, which may have thru-the-wall HVAC systems.

### **Appliances**

All appliances must meet or exceed General Electric "builders" grade specifications.

The following minimum appliances and related installations are required:

1. 16 cubic feet frost free refrigerators.
2. 30 inch electric porcelain enameled range and oven with clock/timer and range hood.
3. Dishwasher.
4. Complete electrical and plumbing connections and a dryer exhaust vent for a clothes washer and dryer.

The following optional items may be added to the sale price and may be included in the mortgage:

1. Washer and dryer.
2. Over the range microwave oven.
3. Gas water heating and gas range.
4. Garage for apartment or townhouse.
5. Additional half or full baths.
6. Accessibility options such as roll-in shower.
7. Deck

### **Flooring**

All carpeting must meet minimum FHA specifications and all resilient flooring must be "builder" grade.

### **Landscaping**

Each unit must have a minimum of one shade tree and eight shrubs or an equivalent planting selection.

Townhouses must have an eight foot privacy fence on each side of rear yard.

### **Miscellaneous**

Each unit must have an Extended Homeowner Warranty.





**Moderate Income Housing Unit Program  
Maximum Rent Schedule  
July 1 through December 31, 2019\***

**Median Income (family of four)**

**\$ 111,473**

**Maximum Rents**

Median Income Adjusted for Bedroom Size						
Unit Size	Occupancy Base <sup>(a)</sup>	Adj. % <sup>(b)</sup>	Amount	60% of Median	Annual Rent @ 30%	Maximum Monthly Rent <sup>(c)</sup>
Studio .....	1.0	70%	\$ 78,031	\$ 46,819	\$ 14,046	1,170
One Bedroom.....	1.5	75%	\$ 83,605	\$ 50,163	\$ 15,049	1,254
Two Bedroom.....	3.0	90%	\$ 100,326	\$ 60,195	\$ 18,059	1,505
Three Bedroom.....	4.5	104%	\$ 115,932	\$ 69,559	\$ 20,868	1,739
Four Bedroom.....	6.0	116%	\$ 129,309	\$ 77,585	\$ 23,276	1,940

**For Rent Units - Eligibility Income Limits (60% of Median):**

<u>Family Size</u>	<u>Amount</u>
One Person.....	\$ 46,819
Two Persons.....	\$ 53,507
Three Persons.....	\$ 60,195
Four Persons.....	\$ 66,884
Five Persons.....	\$ 72,235
Six Persons.....	\$ 77,585
Seven Persons.....	\$ 82,936
Eight Persons.....	\$ 88,287

**Notes:**

(a) Assumes average of one and one-half persons per bedroom

(b) Adjustment up of 8% per person, down of 10% per person

(c) Howard County utility allowances must be deducted from this amount

*\*Approved by Housing and Community Development Board on June 13, 2019*



## HOWARD COUNTY CODE

### Sec. 13.403. Prices for moderate income housing units offered for sale; rates for rental units.

(a) **Base Prices for Moderate Income Housing Units Offered for Sale.** The base sale price for a moderate income housing unit shall be determined by the Housing and Community Development Board in accordance with this subsection.

- (1) Twice a year, the Board shall establish the base sale price for each type of moderate income housing unit offered for sale.
- (2) Before establishing the base sale price under this subsection, the Board shall provide information concerning the real property tax, insurance, and interest rate factors it proposes to use in establishing the base sale price on the County's website.
- (3) Before establishing the base sale price for moderate income housing units located in planned senior communities and age-restricted adult housing developments, the Board shall consult with the Office on Aging and Independence.
- (4) The Department shall provide to the Board information concerning current real property tax and insurance rates.
- (5) The base sale prices for moderate income housing units shall be based upon:

- (i) A base size unit of the following types:

Type	Minimum (Sq. Ft.)
Apartment	750
Single-family detached	1,540
Townhouse or Duplex	1,500
Back-to-back townhouse	1,400

- (ii) Factors established annually by the Board for:

- a. Real property taxes; and
- b. Insurance rates;

- (iii) Factors established twice a year by the Board for:

- a. Interest rates on FHA 30-year mortgages; and
- b. FHA mortgage insurance premiums as determined by the U.S. Department of HUD; and

(iii) An average of homeowners' association fees or condo fees charged for similar units in the market, based on an annual survey of fees.

(6) The Department shall provide to the Board the price at which an eligible purchaser with a household income equal to the following percentages of median income, adjusted by family size appropriate to the size and number of bedrooms in the dwelling unit, can afford to purchase a dwelling unit:

- (i) 70% for proffered units and single family homes;
- (ii) 65% for semi-detached townhomes; and
- (iii) 50% for apartments (condominiums).

(7) For the purposes of this subsection:

(i) A purchaser can afford to purchase a dwelling unit if the purchaser's monthly income would qualify the purchaser to obtain a 30-year fixed rate mortgage at the prevailing interest rate in an amount sufficient to pay 97% of the purchase price of the unit;

(ii) A purchaser's monthly income qualifies for a mortgage if the monthly payment required to pay (1) the monthly principal and interest of the mortgage loan, plus (2) the monthly payment of taxes and insurance on the property, calculated in accordance with the factors established by the Department under subsection (a) of this section, plus (3) the monthly payment of homeowners or condominium association fees, plus (4) the monthly payment of the FHA mortgage insurance premium, does not exceed 28% of the purchaser's monthly income; and

(iii) The prevailing interest rate is the prevailing mortgage interest rate for FHA-insured 30-year fixed-rate mortgages in the Baltimore metropolitan area with zero points. The Department shall calculate the prevailing interest rate by surveying, twice a year, at least three mortgage lenders and two banks for at least three consecutive business days.

(8) The Department shall determine the prevailing interest rate as of December 1 and June 1 of each year.

(9) As determined by the regulations of the Department, an increase in the base sale price of a moderate income housing unit may be made for the following upgrades in size, design or amenities provided that the Board determines that they are necessary to ensure compatibility with the development's market rate units:

- (i) Single-family attached (townhouse) units that are larger than the base size established by this section;
- (ii) Additional bathrooms or powder rooms;
- (iii) Finished basements;
- (iv) Garages in single-family attached (townhouse) units; and
- (v) Other upgrades in design or amenities to ensure architectural compatibility with the development's market rate units.

(b) ***Rates for Rental Units .***

- (1) The Department shall establish maximum rates for rental units, by bedroom size, that are equal to 30% of the monthly income of a household whose annual income does not exceed 60% of the median income.
- (2) The maximum rental rates shall include an allowance for utilities paid by the tenant. The allowance shall be calculated by the Department based upon the average utility costs prevailing for similar sized units in Howard County. If required by the lease, all utility costs, including those in excess of the allowance, shall be paid by the tenant.

**Section 13.402C. Alternatives to moderate income housing unit obligation in certain zones.**

**(e )** The developer may pay a fee-in-lieu to the Department for each unit in the development or portion of the development that is not providing MIHUs onsite:

- (1) The fee-in-lieu for Fiscal Year 2020 shall be \$2.65 per square foot of residential space for each unit in the development as calculated for the building excise tax, Section 20, Subtitle 5 of the Howard County Code of Maryland.
- (2) The fee-in-lieu shall be set yearly by Council resolution based upon the percentage of increase in the ENR Construction Cost Index for the Baltimore Region as reported in ENR, Engineering News Record.